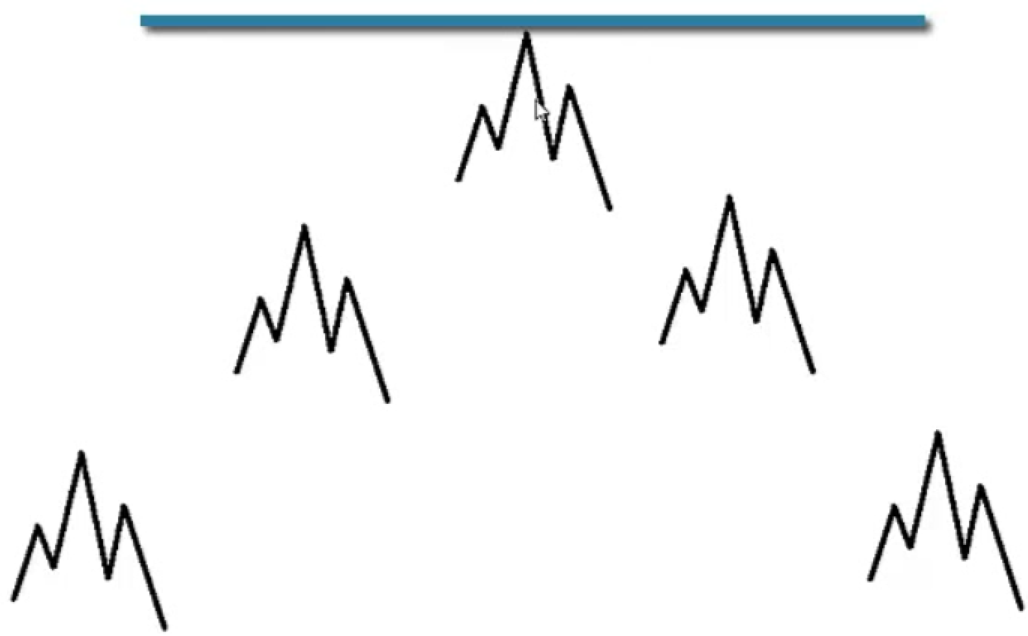
Market Structure

Saturday, September 21, 2013 9:47 PM

- Frame your trades on at least 3 time frames.
- Know the time frame that you are trading.

Position Trades: Monthly, weekly, & daily time frames.
Swing Trades: Daily, 4 hour, & 1 hour time frames.
Short Term Trades: 4 hour, 1 hour, & 15 minute time frames.
Day Trades & Scalps: 1 hour, 15 minute, & 5 minute time frames.

- Your main focus should be on the highest of the 3 time frames that you are trading.
- The shortest time frame will be used to enter and signal potential reversal clues.
- The highest probability trades are made in the higher time frame direction.
- For example, on swing trades, you should trade in the direction of market structure on the daily chart.
- All trades are framed over key S/R levels.
- Market profiles will assist in market structure analysis concepts.
- Support & resistance trumps everything.
- After bouncing off support or resistance, once market structure breaks on the highest time frame of your trading style, you can reasonable expect an OTE to form.



- Look for the bias that you are holding to line up with price action. You cannot force price action. There will not be a trade every day with your bias, which is why you have to wait for price action to line up with it.





Avoid The Over-Complicating

Selecting a Directional Bias does not guarantee profitability. Nor does it guarantee accuracy in either your Trade Direction and or Trade Results.

One Trader's Buy Bias may exist inside the realm of another Trader's Sell Bias. They both can be "correct" and make money and even see their respective profit objectives achieved.

They both can be "wrong" and make money despite their respective profit objectives are not achieved. They both could simply lose money and neither Trade idea come to fruition. There is no "black & white".

As a Trader you must enter "The Grey" and be comfortable with less than perfect visibility. Trades will materialize and provide plenty of profit making potential.

Find your Time Frame – determine the Market Structure given that Time Frame. Trade within that respective Market Structure and perform your targeting on the Highest & Mid level Time Frames.